APPENDIX.

REVENUE ACT OF 1932:

SEC. 23. DEDUCTIONS FROM GROSS INCOME (47 Stat. 179).

In computing net income there shall be allowed as deductions:

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(1) DEPLETION.—In the case of mines, oil and gas wells, other natural deposits, and timber, a reasonable allowance for depletion and for depreciation of improvements, according to the peculiar conditions in each case; such reasonable allowance in all cases to be made under rules and regulations to be prescribed by the Commissioner with the approval of the Secretary. * * * * (Sec. 23 (m) of the Revenue Act of 1934 (48 Stat. 688) is identical).

SEC. 114. BASIS FOR DEPRECIATION AND DEPLETION (47 Stat. 202).

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(b) BASIS FOR DEPLETION.—

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(3) PERCENTAGE DEPLETION FOR OIL AND GAS WELLS.—In the case of oil and gas wells the allowance for depletion shall be 27½ per centum of the gross income from the property during the taxable year, excluding from such gross income an amount equal to any rents or royalties paid or incurred by the taxpayer in respect of the property. Such allowance shall not exceed 50 per centum of the net income of the taxpayer (computed without allowance for depletion) from the property, except that in no case shall the depletion allowance be less than it would be if computed without reference to this paragraph. (Section 114 (b) (3) of the Revenue Act of 1934 (48 Stat. 710) contains the same provisions.)

NATIONAL INDUSTRIAL RECOVERY ACT.

SEC. 215. (48 Stat. 207).

(a) For each year ending June 30 there is hereby imposed upon every domestic corporation with respect to carrying on or doing business for any part of such year an excise tax of $1 for each $1,000 of the adjusted declared value of its capital stock. (Section 701 (a) of the Revenue Act of 1934 (48 Stat. 796) is substantially the same.)

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(f) For the first year ending June 30 in respect of which a tax is imposed by this section upon any corporation, the adjusted declared value shall be the value, as declared by the corporation in its first return under this section (which declaration of value can not be amended), as of the close of its last income-tax taxable year ending at or prior to the close of the year for which the tax is imposed by this section * * * *. (Section 701 (f) of the Revenue Act of 1934 (48 Stat. 796) contains the identical provision.)

(g) The terms used in this section shall have the same meaning as when used in the Revenue Act of 1932.

SEC. 216. (48 Stat. 208.)

(a) There is hereby imposed upon the net income of every corporation, for each income-tax taxable year ending after the close of the first year in respect of which it is taxable under Section 215, an excess-profits tax equivalent to 5 per centum of such por tion of its net income for such income-tax taxable year as is in excess of 12½ per centum of the adjusted declared value of its capital stock * * * as of the close of the preceding income-tax taxable year * * * determined as provided in Section 215. The terms used in this section shall have the same meaning as when used in the Revenue Act of 1932. (Section 702 of the Revenue Act of 1934 (48 Stat. 770) contains substantially the same provision.)